

## **Wage Payment**

Chapter 109, Wisconsin Statutes, requires most Wisconsin employers to pay all workers all wages earned at least monthly with no longer than 31 days between pay periods. The only employers exempted from such requirements are those engaged in logging operations and farm labor. Employees engaged in logging operations and farm labor must be paid no less often than at regular quarterly intervals.

Employers may establish more frequent pay periods (e.g., weekly, biweekly or semi-monthly).

Employees who quit or who are discharged from their job must be paid in accordance with the employer's regular pay schedule

## **Direct Deposit Wage Payments**

The employer and employee may agree on a direct deposit wage payment plan, but the employee has the right to designate the bank of their choosing where the deposit is to be made. If direct deposit is to be made the employee must still receive the equivalent of a check stub showing the rate of pay, hours worked and the amount and reason for all deductions.

## **Wage Claims**

Employees have the right to file a wage claim with the department of unpaid wages if there is a dispute with the employer in the amount of wages owed, or if an employer fails to pay the wages agreed, upon for the time actually worked. If the employer refuses to pay wages earned on the regularly established payday, the employee should request payment. If the employee doesn't receive payment after 6 days, the employee may file a claim with the department. Once a claim is filed, the department will seek to resolve the matter with the employer.

The department may take action on the following types of wage claims:

- Salaries
- Severance pay
- Commissions
- Dismissal pay
- Holiday pay
- Bonuses
- Vacation pay
- Illegal deductions from wages
- Supplemental unemployment compensation benefits when required under a binding collective bargaining agreement.
- Other similar advantages agreed upon between the employer and the employee
- Other similar advantages provided by the employer to his employees as an established policy

The department may not have authority to take legal action on some claims, including:

- Unpaid bills owed to the employee
- Claims made by independent contractors
- Claims already filed in court
- Out-of-state employers in some cases
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Union members who wish to file wage claims will be advised by the department to file their claims with their local union representatives.

Persons filing a claim for wages must do so on a form furnished by the department's Equal Rights Division. This form may be obtained in person at the Madison or Milwaukee offices, by mail or by downloading from the Internet at this address: <http://dwd.wisconsin.gov/er/>. Claim forms also are available at most Job Service offices as a courtesy, but those offices do not process the claims. There is 2-year statute of limitation on the collection of wage claims. Wages must be claimed within 2 years of the date earned.

### **Payroll Information**

Employers are required to state clearly on each employee's paycheck, pay envelope or other accompanying paper the number of hours worked, the rate of pay and the amount of and reason for each deduction from their wages. A reasonable coding system may be used.

The only exception occurs where the employee has requested a deduction for personal reasons. Those deductions may be labeled as "miscellaneous".

### **Deductions from Wages for Loss, Theft, Damage or Poor Workmanship**

Employers may only make deductions from the wages of an employee for loss, theft, damage, or faulty workmanship under one of the following conditions.

- The employee may authorize the deduction, in writing, after the problem occurs and before the deduction is made.
- A representative of the employee may determine that the employee was at fault and that the deduction may be made or the employee may be found guilty or held liable in a court of competent jurisdiction.

An employer who makes a deduction without following one of these procedures may be held liable for twice the amount of the deduction. Blanket authorizations are not valid. The employee's written permission must be obtained after each occurrence of a problem.

### **Procedure for Processing Wage Claims**

Once a wage claim has been filed, it is necessary to gather the facts from both parties. This process is done **via written responses and documentation only**. The wage claim office has approximately 700-1100 claims active at any one time and it is not possible to call people once the case has been filed. Verbal communication is discouraged, as it is necessary to receive all information in writing for the file to be complete if court action becomes necessary. Even after a telephone call, you will be required to write out and send whatever information you have stated on the telephone. It will save all parties time if you send your questions and information into the office.

Below is a description of the process.

A claim is filled out by the employee and sent to the Labor Standards Bureau. The claim is reviewed by a specialist, and, if it is within our jurisdiction, a letter is sent to the business/employer informing them of what the employee feels they are entitled to. The employer is given an opportunity to respond to the claim either providing documentation disproving the claim, or, if the claim is valid, forwarding a check for the amount due. If a response is sent explaining why the wages have not been paid, the department reviews the information and sends it to the employee for further comment. If a check is received from the employer, it is immediately sent to the employee. The case is then closed with no penalties assessed. If no check is received, the Investigator makes a determination on whether the department feels the claim is valid. If it is ruled valid and the employer refuses to pay the wages due, the department may forward the claim to the local district attorney and the penalties may be assessed per Chapter 109.11. The department has no control over the action district attorneys takes. The employee must contact the district attorney after the case is forwarded, and indicate if they wish to pursue the matter to court and pay the necessary fees.

### **Employer Retaliation against Workers**

An employer is prohibited from retaliating against any employee who:

- files a complaint
- attempts to enforce a right permitted by statute
- testifies in a case, or

- assists in a case

under the state's labor standards laws including child labor, minimum wage, hours of work and overtime, wage payment and collection and prevailing wage rate laws.

This law's protections also apply if an employer takes an adverse employment action against an employee because that employer believes the employee has exercised any of the above rights.

Persons who need further information concerning protections under the state's retaliation provisions should contact the Equal Rights Division.

**Department of Workforce Development is an equal opportunity employer and service provider. If you have a disability and need to access this information in an alternate format or need, it translated to another language, please contact us in Madison at (608)264-8752 or in Milwaukee at (414) 227-4081.**

### **Filing of a Wage Claim**

To file a wage claim, or to obtain more information about any of these provisions, contact the department's Equal Rights Division (except where otherwise noted) at either of these locations below OR visit our website at: <http://dwd.wisconsin.gov/er/>

## **EQUAL RIGHTS DIVISION**

PO BOX 8928  
MADISON WI 53708  
(608) 266-6860  
(608) 264-8752 (TTY)

819 N 6th ST ROOM 255  
MILWAUKEE WI 53203  
(414) 227-4384  
(414) 227-4081 (TTY)

Offices are open 7:45 to 4:30 p.m. Monday through Friday.